



Cochise County
Community Development
Planning, Zoning and Building Safety Division
Public Programs...Personal Service
www.cochise.az.gov

MEMORANDUM

TO: Cochise County Board of Supervisors
FROM: Jesse Drake, Planner II
FOR: Mary Gomez, Interim Planning Director
SUBJECT: Docket Z-02-13B (Bowie Power Station) 2015 extension request
DATE: June 10, 2015 for the June 23, 2015 Meeting

REQUEST FOR A REZONING EXTENSION

The Applicant is requesting a modification of the stipulation to extend the rezoning deadline an additional five years, to December 31, 2020, for the HI (Heavy Industrial) and R-36 (one dwelling per 36,000 square feet) zoned properties at the proposed Bowie Power Station site north of Bowie, Arizona. The current re-zoning approval is due to expire on December 31, 2015. The subject parcels, APN 301-04-033G and 301-04-033H are located at 10248 N. Highway 191, Elfrida, AZ.

The site, APN 301-04-033G and APN 301-04-033H, is further described as being situated in Sections 28 and 29, Township 12 South, Range 28 East in Cochise County. The applicant is SouthWestern Power Group, II (SWPG).

I. DESCRIPTION OF SUBJECT PARCEL AND SURROUNDING LAND USES

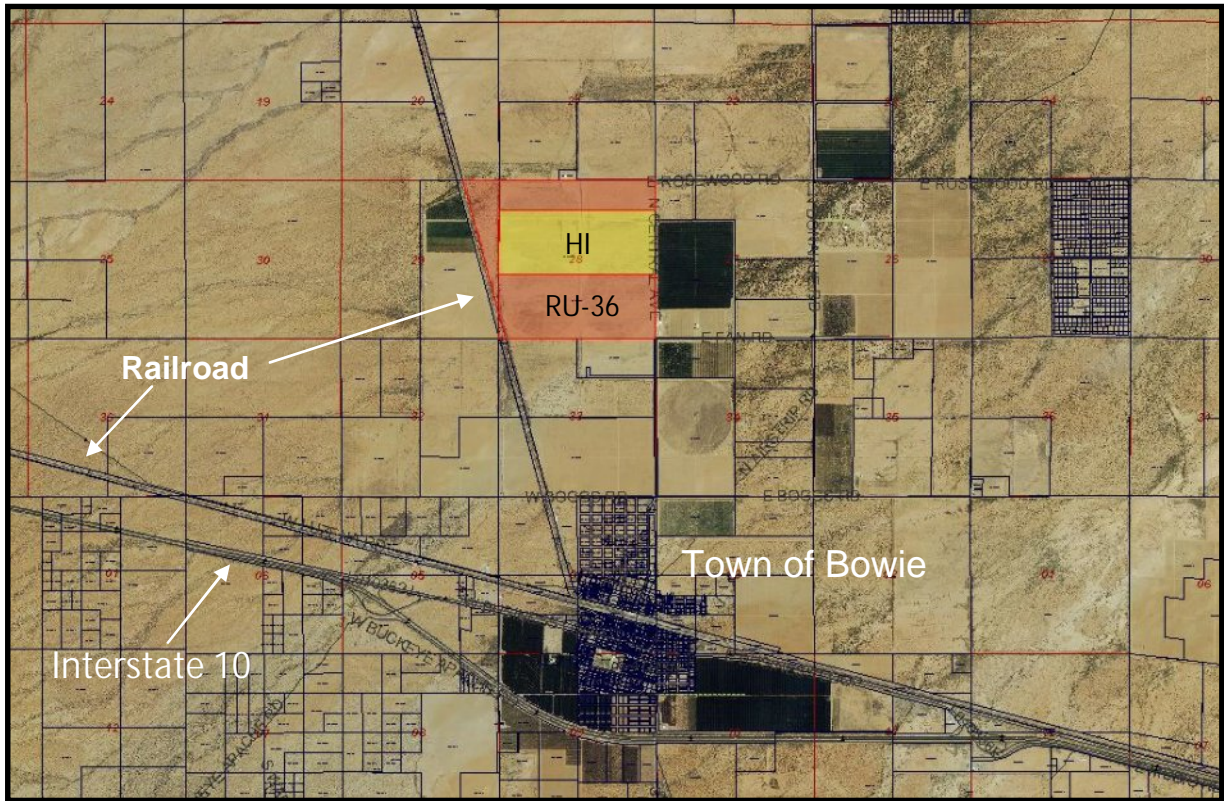
Parcel Size: 703 acres
Zoning: HI and RU-36
Growth Area: Category D
Comprehensive Plan Designation: Rural
Area Plan: None
Existing Uses: Vacant land
Proposed Uses: Electric Power Generating Station and Residential

Zoning/Use of Surrounding Properties

Relation to Subject Parcel	Zoning District	Use of Property
North	RU-4	Agricultural
South	RU-4/RU-36/HI	Vacant
East	RU-4	Agricultural
West	RU-4	Agricultural

Planning, Zoning and Building Safety
1415 Melody Lane, Building E
Bisbee, Arizona 85603
520-432-9300
520-432-9278 fax
1-877-777-7958
planningandzoning@cochise.az.gov

Highway and Floodplain
1415 Melody Lane, Building F
Bisbee, Arizona 85603
520-432-9300
520-432-9337 fax
1-800-752-3745
highway@cochise.az.gov
floodplain@cochise.az.gov

*Location Map*

II. NATURE OF REQUEST

The SouthWestern Power Group II (SWPG) owns approximately 1619 acres north of the Town of Bowie, Arizona. In September 2002 the Planning and Zoning Commission granted a conditional Special Use (SU-02-08) to authorize an electric power generating station on roughly a 260-acre development site for the Bowie Power Station electric generating station. Later that month the Board of Supervisors granted a conditional rezoning (Z-02-13) that permitted 260 acres to be rezoned to HI (Heavy Industrial) for the power plant site, and an additional 443 acres to be rezoned to RU-36 (one dwelling per 36,000 square feet) as a buffer zone for the power plant. The Special Use permit authorization runs with the land and does not expire, but the rezoning had an expiration date of September 2007 and was subject to a stipulation the required substantial progress on construction of the power plant within five years.

Due to declines in the economy and utility market, construction was delayed, so in September 2007 SouthWestern Power Group requested a modification of the stipulation to extend of the rezoning deadline for substantial construction to December 2010. This extension was granted by the Board in September 2007 (Z-02-13A).

Two years later, in November 2009, with the economic recession continuing, the Board of Supervisors granted a second modification (Z-02-13A) to the stipulation, granting an additional five years for substantial progress on construction, extending the deadline to December 2015.

Approximately a year after the Board's 2009 approval of the time extension the Arizona Corporation Commission (ACC) approved a ten-year extension to the Certificate of Environmental Compatibility for the power station, so the Certificate of Environmental Compatibility for the Bowie Power Station, Decision No. 71951 (attached) does not expire until December 31, 2020.

From the onset SouthWestern Power Group has maintained consistency between the zoning deadlines and the expiration of the Arizona Corporation Commission's Certificate of Environmental Compatibility. The current request, received on May 21, 2015, for a third modification of the zoning stipulation to extend the

deadline to December 31, 2020, will keep the CEC and zoning expiration dates consistent.

SouthWestern Power Group has continued to work on completing entitlements for the power station development including securing easements and crossing permits for the associated underground gas line and overhead transmission line. Most recently, the air quality permit for the power station was renewed by the Arizona Department of Environmental Quality (ADEQ). With the recently proposed new rules from the Environmental Protection Agency (EPA) under the Clean Air Act, Arizona will need to achieve a 52% reduction in carbon dioxide emissions by 2030, with seventy percent of that goal to be met by 2020. If made final, these rules would require the decommissioning of coal-fired electrical plants in the state by 2020 and replace them with less polluting sources, such as the gas-fired units planned for the Bowie Power Station.

II. PUBLIC COMMENT

The applicant mailed notices to neighboring property owners within one mile of the subject property and staff mailed letters to property owners within one mile of the subject property. The Applicant received three letters in support; however in response to the County mailings, the Planning Department received no responses.

III. SUMMARY AND CONCLUSION

The Applicant is requesting a modification of the stipulation to extend of the rezoning deadline an additional five years, to December 31, 2020, for the HI (Heavy Industrial) and R-36 (one dwelling per 36,000 square feet) zoned properties at the proposed Bowie Power Station.

Factors in Favor of Approving the Rezoning Modification

1. The power station will provide economic benefits to the area through job creation during and after construction and an increase in tax revenues;
2. The site is adjacent to a railway.
3. The site is located in a low population density area;
4. The project is compatible with the purposes of both the HI and RU-36 zoning districts;
5. Natural gas-fired generation plants are cleaner and more efficient than coal-fired plants;
6. Arizona Corporation Commission (ACC) approved a ten-year extension to the Certificate of Environmental Compatibility;
7. The Arizona Department of Environmental Quality has renewed the air quality permit for the power station; and
8. Three letters in support have been received.

Factors Against Allowing the Rezoning Modification

1. The project will reduce agricultural production in the area.

IV. RECOMMENDATION

Based on the Factors in Favor of Approval staff recommends Approval of the request to modify Condition 1 for Z-02-13A to extend the deadline to December 31, 2020; with the Conditions of the rezoning and the Conditions of the Special Use (SU-02-08) to remain in effect.

V. ATTACHMENTS

- A. Extension request letter
- B. Location Map
- C. Arizona Corporation Commission Decision No. 71951
- D. Implications of EPA's Clean Power Plan for U.S. Power Plants (provided by applicant)
- E. Agency comments

F. Public comments